



To the Administrator Addressed

DATE:	August 5, 2021
SUBJECT:	Preliminary Maximum Compressed Tax Rates (MCR) and Adoption of Tax Rate for Tax Year 2021
CATEGORY:	Funding Implications; Adoption of Tax Rate for Tax Year 2021 (2021 - 2022 School Year)
NEXT STEPS:	Share with business and finance staff

This letter is to inform you about preliminary maximum compressed tax rates (MCR) for school districts' maintenance and operations (M&O) tax rates required under House Bill 3, 86th Legislature, for the 2021 tax year (2021-2022 school year). This notice does not apply to open-enrollment charter schools.

Background

In order to calculate and make available districts' maximum tier one tax rates, the agency conducted a survey of local taxable property value growth through the Foundation School Program (FSP) system in the Texas Education Agency Login (TEAL). The Local Property Value Survey (LPVS) opened on July 18, 2021, and closed on August 1, 2021. For more information on tax rate compression, please read the [To The Administrator Addressed Correspondence dated June 3, 2021](#).

MCR Status and Appeals